

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: UNITED CITIES GAS COMPANY, A DIVISION OF ATMOS ENERGY CORPORATION	DOCKET NO. PGA-01-28 (PGA-01-14) (PGA-01-19)
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ORDER DOCKETING MAY 2001 PURCHASED GAS ADJUSTMENT FILING

(Issued June 1, 2001)

On March 28, 2001, the Utilities Board (Board) issued an order docketing the March 2001 purchased gas adjustment (PGA) filing of United Cities Gas Company, a division of Atmos Energy Corporation (United Cities), for further review. In the order the Board directed United Cities to respond to certain questions concerning the calculation of the PGA rate for March 2001. The filing was identified as Docket No. PGA-01-14. The Board also gave notice to United Cities that it was in violation of Board rule 199 IAC 19.10 with regard to its March PGA filing and directed United Cities to file the April 2001 PGA filing in compliance with that rule.

On April 30, 2001, the Board issued an order docketing United Cities' April 2001 PGA filing. The filing was identified as Docket No. PGA-01-19. In the April 30 order, the Board directed United Cities to provide a revised Rb calculation that included estimated costs and revenues through August 2001, and to revise the

calculation of the storage rate (Rz) in the May 2001 PGA filing and subsequent filings.

On May 3, 2001, United Cities filed its May 2001 PGA filing. The filing was identified as Docket No. PGA-01-28. The filing contained a revised Rb calculation and a revised calculation of the Rz rate. The Board has reviewed the May 2001 PGA filing and still has some unresolved concerns about the methods of calculating the Rb and Rz factors and other calculations. The Board understands that these concerns may not be finally addressed until the annual reconciliation filing in August 2001. In order to continue to review the May 2001 PGA filing the Board will docket the filing.

IT IS THEREFORE ORDERED:

The May 2001 purchased gas adjustment filing made by United Cities Gas Company, a division of Atmos Energy Corporation, on May 3, 2001, is docketed for further review by the Utilities Board.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Judi K. Cooper
Acting Executive Secretary

/s/ Diane Munns

Dated at Des Moines, Iowa, this 1st day of June, 2001.